All-Payer Claims Database
Enabling Legislation and Proposed Approach for Regulations and RFP

Office Of Health Reform & Innovation

APCD Advisory Group

May 31, 2012

FINAL LEGISLATION

APCD Enabling Legislation, HB 5038

The final legislation creates a strong foundation upon which to build the APCD.

While certain changes made during the legislative process, in all fundamental respects, the final legislation is similar to the original proposed legislation reviewed by the workgroup. Highlights of the final bill include:

- Responsibility for the APCD will remain with the Office of Health Reform & Innovation, but the Office can enter into contracts for the planning, implementation and/or administration of the APCD.

- Intent was always to seek funding through the Exchange grant process. Final legislation specifically states that establishment of the APCD is subject to ability to secure funding from the federal government and outside sources.

- The Secretary of OPM will have a role in the promulgation of regulations for the APCD.

- Enumerated purpose of the APCD remained essentially the same

- Consistent with the original bill, all disclosures of data must be made in a manner to protect the confidentiality of health information, in accordance with applicable law

Legislation cont.

- Consistent with original legislation, a fee may be charged for the provision of data.

- Civil penalty provision was retained.

- Definition of "reporting entity" remained basically the same with a few changes.

- Office of Health Reform & Innovation given explicit authority to accept grants to carry out its statutory responsibilities.

- MPDB Workgroup is replaced by the APCD Advisory Group. All members of the Workgroup will continue to serve on the Advisory Group. Several new members were added.

- Deadline for submitting report to Legislature was extended and will address additional implementation activities.

REGULATORY OVERVIEW
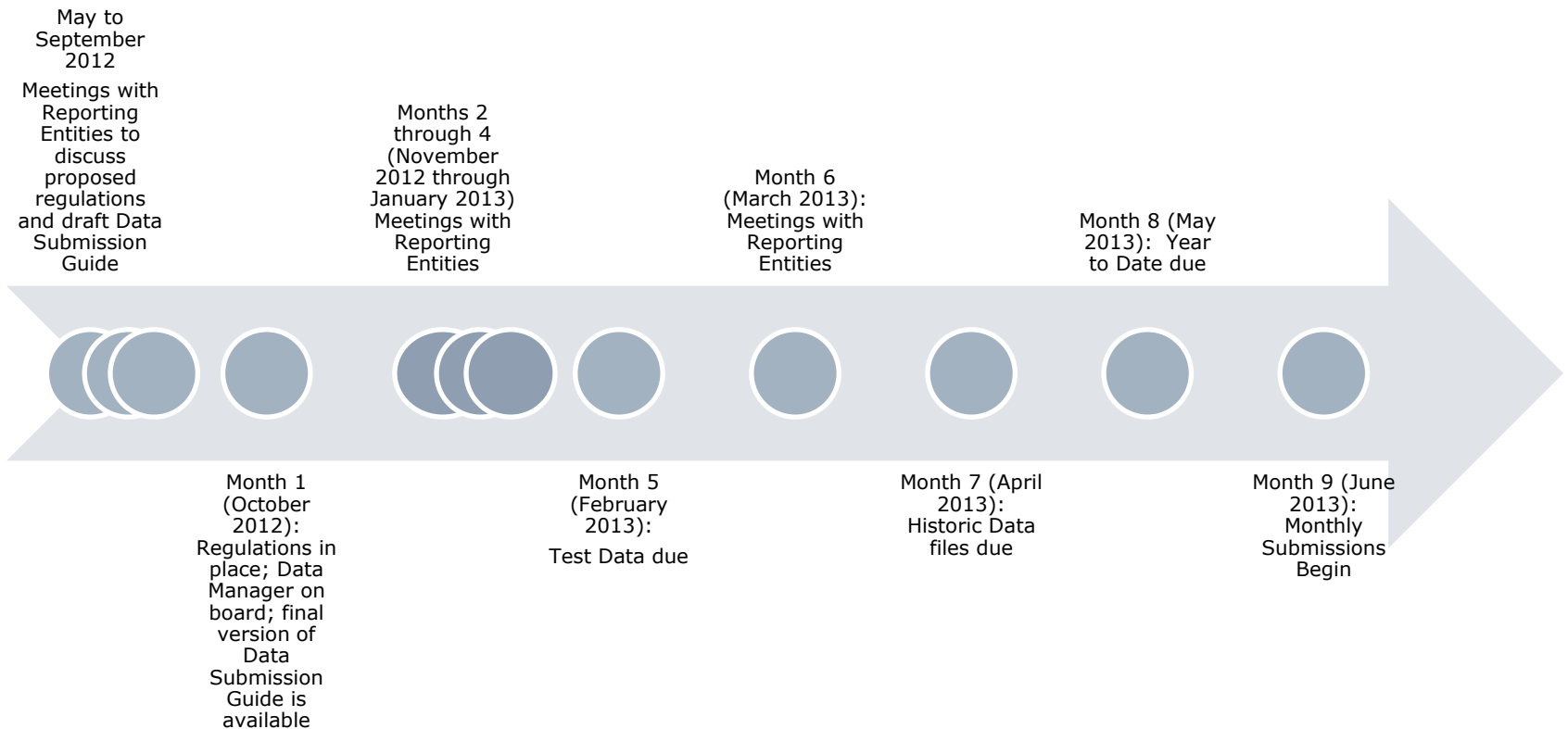
Who is required to submit data?

- ☐ Reporting entities include:
  - ■ Insurers in the large, small and individual markets
  - ■ Insurers and HMOs providing Medicare Advantage and Part D plans
  - ■ Third party administrators for self insured plans
  - ■ PBMs
  - ■ State Medicaid FFS data (history data may be provided directly by former managed care contractors)
  - ■ Medicare A,B,D from CMS
  - ■ Medicare Supplement insurers
  - ■ Mandated reporters will coordinate with subcontractors to prevent duplicate records
- ☐ Clarifications and further discussion
  - ■ Employee welfare benefit plans report via third party administrators
  - ■ Other states exempt accident and disability policies; auto insurance; limited benefit health policies; workers compensation; specific disease policies and income replacement
  - ■ Other states set a reporting threshold for a minimum number of covered lives

What data must be submitted?

- ☐ For all state residents as well as individuals covered under a policy issued in the state

- ☐ Data elements similar to northern New England states, TN, MN
  - ■ Member eligibility
  - ■ Medical claims
  - ■ Pharmacy claims
  - ■ Provider file

- ☐ Sequencing similar to other states
  - ■ Test files
  - ■ Collaborative review and revision process
  - ■ Historical data (2009 forward)
  - ■ Year to date
  - ■ Monthly file submissions

5/31/2012   Office of Health Reform & Innovation
All-Payer Claims Database
DRAFT for Discussion Purposes   7

What is the timeline for data intake?

May to September 2012

Meetings with Reporting Entities to discuss proposed regulations and draft Data Submission Guide

Months 2 through 4 (November 2012 through January 2013) Meetings with Reporting Entities

Month 6 (March 2013): Meetings with Reporting Entities

Month 8 (May 2013): Year to Date due

Month 1 (October 2012): Regulations in place; Data Manager on board; final version of Data Submission Guide is available

Month 5 (February 2013): Test Data due

Month 7 (April 2013): Historic Data files due

Month 9 (June 2013): Monthly Submissions Begin

5/31/2012   Office of Health Reform & Innovation
All-Payer Claims Database
DRAFT for Discussion Purposes   8

What are the specific data requirements?

- ☐ Regulations will include a list of proposed data items. Reporting entities will be invited to comment.

- ☐ The Data Submission Guide will provide actual data elements and formats and other details regarding the submission process.

- ☐ Reporting entities will be invited to a series of conference calls to discuss the draft Data Submission Guide prior to its final version.

- ☐ The APCD will limit major revisions to once a year with significant advance notice. Technical bulletins will provide clarification and guidance.

Who will have access to the data?

- ☐ Purpose of the data: "enhance the state's use of health care data from multiple sources to increase efficiency, enhance outcomes and improve the understanding of health care expenditures in the public and private sectors."

- ☐ Public -- Highly Aggregated Reports

- ☐ Datasets for State Agencies

- ☐ Formal Data Use Application Process
  - ■ Data Release Review Committee
    - ☐ Broad Representation
    - ☐ Review of applicant qualifications and proposed project, including the research design and methodology
    - ☐ Data Use Agreement
  - ■ Public Use and Limited Datasets per HIPAA Privacy Rule
  - ■ Minimum Necessary Standard

Data Manager Overview

What are the functions of an APCD Data Manager?

☐ Data intake and cleansing

   ■ Accept conforming data via secure transmission process

   ■ Review the data against established standards

   ■ Provide feedback

☐ Data warehousing

   ■ Organize and consolidate records

   ■ Quality assurance

   ■ Member and provider identity resolution

☐ Analytics – risk scores, condition categories

☐ Reports and Dataset production

☐ Delivery and Distribution

How will data privacy and security be maintained?

- ☐ Encryption in motion and at rest

- ☐ Secure, user-specific data submission process (SFTP)

- ☐ Data vendor compliance with security standards

  - ■ Demonstrated expertise and security infrastructure

  - ■ SOC-2 audits

  - ■ HIPAA compliance throughout organization

- ☐ User-specific role based permissions for access to data

Data Manager Approach

What does a Data Manager do to protect privacy and security?

☐ Data warehouse is never exposed to the public, and is housed in a high security facility with limited "role based" access

☐ Data is encrypted at all times, in transmission and when it's stored

☐ Encrypted files are submitted to the APCD using secure submission process

☐ When received by the APCD, all personal information is removed from the record and replaced by a completely unique identifier that's generated by a software "algorithm." These de-identified records are the ones that are actively used in the database.

☐ Files with the actual identifiers are stored in encrypted form, in a "walled off" part of the database that is subject to the highest levels of security, including powerful physical and operational safeguards

☐ In the highly unlikely event that someone was able to penetrate the multiple levels of security, the encrypted data would be unintelligible

Data Manager Approach

RFP Process

- ☐ Department of Administrative Services, working closely with Office of Health Reform and Innovation, will run the procurement process

- ☐ General approach:
  - ■ Single vendor for integrated end-to-end process, intake to reporting
  - ■ "Software as a service"
  - ■ Establish minimum qualifications and experience
  - ■ Request optional items

- ☐ Aggressive schedule:
  - ■ Develop draft scope of work in next 4-6 weeks
  - ■ Plan for issuing RFP in Q3 2012
  - ■ Contract start in Q4 2012

Next Steps

- ☐ Kick off regulatory process

- ☐ Draft data submission guide

- ☐ Develop Data Manager RFP

- ☐ Meet statutory reporting deadline